

Department of Health & Human Services
Centers for Medicare & Medicaid Services
61 Forsyth Street, SW, Suite 4T20
Atlanta, Georgia 30303-8909



December 27, 2010

Ms. Emma Forkner, Director
South Carolina Department of Health and Human Services
Post Office Box 8206
Columbia, South Carolina 29202-8206

RE: South Carolina Title XIX State Plan Amendment, Transmittal # 10-004

Dear Ms. Forkner:

We have reviewed South Carolina's State Plan Amendment (SPA) 10-004, submitted to the Atlanta Regional Office on July 1, 2010. This amendment enrolls Medicaid beneficiaries on a mandatory basis into managed care organizations (MCOs) and/or primary care case management (PCCM) programs in absence of a section 1115 or section 1915(b) waiver authority.

Based on the information provided, the Centers for Medicare & Medicaid Services (CMS) is approving South Carolina SPA 10-004. This amendment is effective October 1, 2010. The signed CMS-179 and the approved plan pages are enclosed.

South Carolina worked diligently to address the concerns identified during our review process including: public process, passive and default enrollment processes and provider network adequacy. You have indicated that mandatory enrollment will be implemented statewide beginning January 1, 2011, to all new recipients and to current recipients at the time they complete their annual eligibility redetermination.

Expansion of the South Carolina *Healthy Connections Choices* will require ongoing collaboration between the CMS and your department to approve MCO contract amendments, review enrollment materials and monitor readiness activities of the State's program expansion. To that end, CMS intends to closely monitor the expansion of the *Healthy Connections Choices* program. That monitoring will include the following activities over the next twelve months:

- A conference call in early January 2011 to ascertain State readiness for expansion;
- CMS review and approval of MCO contract amendments;
- CMS review and approval of beneficiary enrollment and choice communication materials;
- Bi-weekly conference calls between your department and CMS during the first few months of *Healthy Connections Choices* implementation;

- CMS attendance (via conference call) at monthly Medical Care Advisory Committee meetings throughout calendar year 2011;
- CMS attendance (via conference call) at regularly scheduled MCO/MHN Health Plans meetings throughout calendar year 2011;
- Convene a public forum with advocates and beneficiaries in mid 2011 to assess progress of program expansion;
- Regular State updates to CMS on enrollment/disenrollment, provider network issues, grievances and appeals;
- CMS review of Enrollment Broker data metrics (and appropriate State response as needed) to minimize auto-assignments to the extent possible; and

Documentation of the State's implementation and monitoring of corrective action plans recommended by the Department's External Quality Review Organization

We look forward to working collaboratively with the State during the expansion of *Healthy Connections Choices*. We appreciate the effort and cooperation provided by your staff during our review. If you have any questions or need further assistance, please contact Trina Roberts at (404) 562-7418.

Sincerely,

/s/

Jackie Glaze

Associate Regional Administrator

Division of Medicaid & Children's Health Operations